

By email 4 September 2024

2024 DEFRA BARGAINING UNIT PAY REVIEW – FORMAL PAY OFFER

Thank you for the valuable formal negotiation meetings held between 21st August and 4rd September. This document confirms the Defra Pay Bargaining Unit (PBU) formal pay offer.

This offer has been endorsed by the Secretary of State and is in line with the 2024/25 Civil Service Pay Remit Guidance which allows a headline increase in Civil Service pay bill of 5%. Defra intends to make full use of the flexibility this headline figure permits, and the details are set out below.

Consolidated Pay Offer - Headlines

- A quartile-based award targeted to the lowest paid, providing a blended delivery of Defra's reward principles; prioritising the greatest percentage uplift to our lowest grades, progression of the lowest paid within grade to minimise and mitigate equal pay and equality risks and maximising competitive salaries with Other Government Departments (OGDs)
- This offer means staff would receive a salary uplift calculated as a percentage of their 2023 pay range maxima, dependent on where they are situated within the pay range, capped at the new pay range maxima; where the award takes individuals over, the balance will be paid as a non-consolidated payment.
- Staff in grades AA and AO will receive awards worth 5.25% of their salary
- All staff in grades AA-G6 will receive a consolidated award of at least 4.20%, except for staff in frozen pay ranges who will receive the relevant quartile-based award, capped at the new pay range maxima; where the award takes individuals over, the balance will be paid as a non-consolidated payment
- This represents a continuation of previous approaches; where segmentation by quartiles increases the ability to target funds to the lowest paid in each pay range

Non-Consolidated Pay

This is the first year without non-consolidated end-year performance related payments. The non-consolidated budget will remain as 1.5% of pay bill. We will continue to set aside 1.25% of pay bill for in-year recognition schemes, including cash bonuses and vouchers. The remaining 0.25% will be used for non-consolidated payments above the pay range maxima.

Pay Offer Details

In addition to a pay calculator to explore the individual impact of the award, details of the proposed award can be found in the following:

- Table 1 shows the new pay ranges for 2024
- Table 2 shows the value of the award for staff, based on their position in the pay range
- Appendix 1 shows the percentage uplifts to each pay range

The Vets (Band C) and VO (Veterinary Officer) pay ranges will remain frozen.

Table 1: Proposed and existing pay ranges

National

Grade	Min	ima	Maxima			
	2023/24	2024/25	2023/24	2024/25		
AA*	£23,286	£24,510	£23,286	£24,510		
AO*	£23,811	£25,070	£23,811	£25,070		
EO	£27,470	£28,710	£28,606	£29,810		
HEO	£32,136	£33,590	£34,546	£36,000		
FS	£30,455	£30,455	£37,022	£37,022		
SEO	£39,439	£41,220	£43,569	£45,400		
Vets (Band C and VO)	£41,292	£41,292	£51,763	£51,763		
G7	£52,120	£54,470	£58,540	£61,000		
G6	£62,605	£65,430	£70,319	£73,280		

^{* &}quot;Spot rate" single point scale grades

London

Grade	Min	ima	Maxima			
	2023/24	2024/25	2023/24	2024/25		
AA*	£24,126	£25,400	£24,126	£25,400		
AO*	£27,245	£28,680	£27,245	£28,680		
EO	£30,827	£32,220	£32,074	£33,430		
HEO	£35,857	£37,480	£38,551	£40,170		
FS	£30,455	£30,455	£37,022	£37,022		
SEO	£42,577	£44,500	£47,039	£49,020		
Vets (Band C and VO)	£44,266	£44,266	£55,566	£55,566		
G7	£57,316	£59,900	£64,380	£67,090		
G6	£67,640	£70,690	£75,965	£79,160		

^{* &}quot;Spot rate" single point scale grades

Table 2: Proposed award by quartile and pay range

	Pay range quartile		AO	EO	HEO	FS		Vets (Band C and VO)	G7	G6
Percentage of max (cash salary increases)	1	£1,224	£1,259	£1,330	£1,606	£1,722	£2,026	£2,407	£2,722	£3,270
	2			£1,287	£1,555	£1,666	£1,961	£2,329	£2,634	£3,164
	3			£1,259	£1,520	£1,629	£1,917	£2,278	£2,576	£3,094
	4			£1,230	£1,485	£1,592	£1,873	£2,226	£2,517	£3,024

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London	Pay range quartile		AO	EO	HEO	FS		Vets (Band C and VO)	G 7	G6
Percentage of max (cash salary increases)	1	£1,274	£1,435	£1,491	£1,793	£1,722	£2,187	£2,584	£2,994	£3,532
	2			£1,443	£1,735	£1,666	£2,117	£2,500	£2,897	£3,418
	3			£1,411	£1,696	£1,629	£2,070	£2,445	£2,833	£3,342
	4			£1,379	£1,658	£1,592	£2,023	£2,389	£2,768	£3,266

Further Pay-Related Changes

Cabinet Office Fast Stream Pay Framework (COFSF)

Following payment of the Defra pay award, Defra will fully align to the Cabinet Office Fast Stream spot rate framework with effect from 1st September 2024. Once outcomes from the Defra pay review have been paid, Fast Stream staff will be assessed against the COFSF as in the Fast Stream pay policy. Any increases to bring staff up to the COFSF spot rates will be paid the month after the pay review outcomes are implemented.

	COFSF From 1	London allowance	COFSF From 1	London allowance
Year	Sept 2023	from 1 Sept 2023	Sept 2024	from 1 Sept 2024
1	£30,455	£1,218	£31,186	£2,495
2	£31,966	£1,279	£32,893	£2,631
3	£35,300	£1,412	£36,677	£2,934
4	£37,022	£1,481	£38,836	£3,106

London Pay Ranges

As previously announced, payment of the London pay range will remain dependent on the employee's contractual base being a London office, where this is also their primary and expected office location. Office attendance expectations remain unchanged for both London and Nationally based staff, with consideration given to individually agreed adjustments and location restrictions.

Equal Pay

We will continue to undertake equal pay audits and put actions in place to address findings as they arise. We will share our reports, actions and progress with you. We will also continue to work with EDI colleagues on their gender pay gap findings.

As per last year, we will share this formal offer letter with staff.

Nicola Bettesworth

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Appendix 1: Proposed percentage uplifts to the National and London pay ranges from 1 July 2024

National pay ranges

Position	AA	AO	EO	HEO	FS	SEO	Vets (Band C and VO)	G 7	G6
Min/Spot rate	5.26%	5.29%	4.52%	4.52%	0.00%	4.52%	0.00%	4.51%	4.51%
Max			4.21%	4.21%	0.00%	4.20%	0.00%	4.20%	4.21%

London pay ranges

Position	AA	АО	EO	HEO	FS	SEO	Vets (Band C and VO)	G 7	G6
Min/Spot rate	5.28%	5.27%	4.52%	4.53%	0.00%	4.52%	0.00%	4.51%	4.51%
Max			4.23%	4.20%	0.00%	4.21%	0.00%	4.21%	4.21%